

Everest Alternative Investment Trust

January 2013 Factsheet



The Everest Alternative Investment Trust (EAIT) has exposure to a portfolio of absolute return funds. The objective of the Investment Portfolio is to generate attractive risk-adjusted absolute returns over the medium-to-long term.

Fund Facts as at 31 January 2013

Estimated monthly return ¹	1.89%
Estimated monthly return excluding FX	2.23%
NTA as at 31 January 2013 ^{1,2}	\$0.54

Investment manager summary

Investment positions posting positive returns	18
Investment positions posting negative returns	10
Largest manager allocation	21.5%

Fund NTA returns (net)

	Jan	Feb	Mar	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2013	1.89% ¹												1.89%
2012	-1.92%	2.67%	2.60%	0.00%	5.06%	-3.61%	-2.50%	1.28%	1.89%	1.85%	-3.64%	0.00%	3.31%
2011	2.04%	-0.14%	0.14%	-4.64%	3.08%	-0.75%	-1.59%	1.77%	6.09%	-6.56%	2.63%	-2.80%	-1.41%
2010	1.18%	0.60%	1.84%	1.63%	-1.64%	-0.71%	2.03%	-0.37%	2.28%	0.49%	2.20%	-3.49%	6.03%
2009	-2.97%	0.00%	-0.44%	0.44%	1.75%	1.97% ³	0.23%	1.60%	1.02%	0.04%	0.75%	1.72%	6.16%
2008	-4.18%	0.77%	-2.29%	1.04%	1.80%	-2.15%	-1.58%	-2.14%	-9.84%	-15.15%	-8.57%	-7.81%	-41.02%
2007	2.60%	-0.13%	2.33%	2.51%	-4.89% ⁴	0.65%	0.00%	-3.44%	1.27%	3.27%	-1.70%	0.74%	2.90%
2006	4.15%	-0.21%	2.63%	2.01%	-3.94%	0.32%	-2.40%	1.72%	1.69%	2.85%	3.70%	2.67%	15.92%
2005	-	-	-	-3.60%	1.00%	2.71%	4.80%	0.23%	3.20%	-3.76%	2.76%	2.46%	9.83%

1 Unaudited – in calculating the NTA, EAIT asset values have been calculated using unaudited absolute return fund performance estimates for the month being reported.

2 For the purposes of calculating the above figures, the Australian Equivalents to International Financial Reporting Standards (AEIFRS) have been applied (other than for classification of net assets attributable to unitholders of EAIT where Australian Generally Accepted Accounting Principles, as applied before the introduction of AEIFRS, have been used).

3 Following the announcement of the intention to separate EAIT into two funds, performance data from 1 June 2009 onwards represents the underlying absolute return funds only. Prior to 1 June 2009 the performance data reflects both the absolute return funds and direct investments.

4 The May 2007 monthly NTA performance was impacted by the EBI rights issue and placement which were completed that month and does not include the implied value of EBB shares received by investors who successfully participated in the EBI capital raising. The May 2007 performance of the underlying investment portfolio (excluding the effect of the capital raising) was +2.40%.

Market Commentary

Global risk assets continued to rally in January as equities and high yield bonds climbed higher on improving investor sentiment and diminishing volatility. The S&P 500 Index and the MSCI World Index gained 5.2% and 5.3% respectively. High yield bond markets also continued their ascent as default rates continued to trend lower, declining for the seventh time in the last eight months to 1.2%.

The New Year began on a positive note after progress was made on the US debt ceiling with the deadline extended through to May 2013. However, despite the extension a number of questions remain unanswered regarding the fiscal difficulties and forthcoming governmental spending cuts that will need to be addressed. Positive earnings surprises also reinforced investor willingness to redeploy capital away from safe haven assets, as emerging market bond yields moved to all-time lows (i.e. prices up to all-time highs).

On the economic front, data suggested that the US recovery remains intact but weaker than anticipated by the market. For example, US GDP fell in the fourth quarter for the first time since 2009 (though largely driven by reductions in government spending) and cumulative earnings reported by non-financial companies in the S&P 500 for the last quarter were flat versus the prior year. Global economic growth forecasts also continue to be revised lower, particularly within Euro-zone countries still struggling with deleveraging and political challenges (even after removing negative tail risk).

Performance Commentary

The Everest Alternative Investment Trust was up 1.9% for the month (net of all fees and expenses). The underlying portfolio was up 2.2% in USD terms and the appreciation in the Australian dollar (from 1.039 to 1.043), detracted (0.3)% from performance. This compares to monthly returns for the S&P 500 Index of 4.9% (in AUD terms) and the S&P/ASX 200 Accumulation Index of 5.0%.

The Fund's largest exposure, long only equities manager ESL, performed well in the positive market environment. ESL SPE I and ESL SPE II, which hold positions in Sears and Autonation respectively, both saw significant gains. For the month SPE I was up 8.9% while SPE II was up 18.0%. In aggregate, ESL contributed 2.2% to the total Fund return.

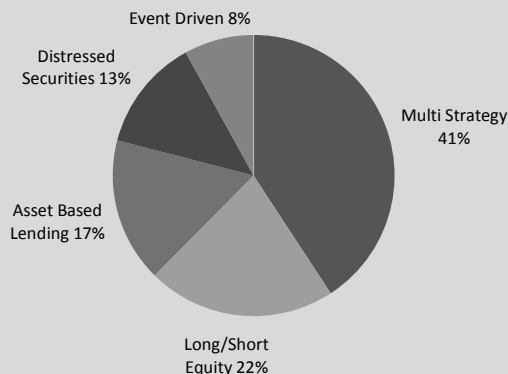
Our credit and distressed securities managers also had a positive month. The Fund's second largest exposure, the Drawbridge Special Opportunities Fund 2008 RCA was up 0.6%. Cerberus also performed well and gained 2.0%. In aggregate, these two positions contributed 0.2% to the total Fund return.

Everest Alternative Investment Trust January 2013 Factsheet



Exposure Summary

By Strategy (excluding cash)



Based on the gross value of the Investment Portfolio. Exposure numbers may not total exactly due to rounding.

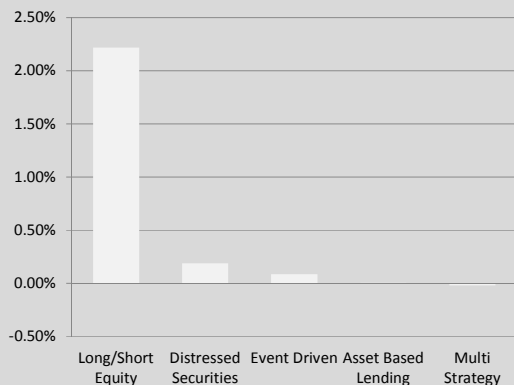
The investment strategy exposures are shown net of cash. Investment strategy and exposure data as at the first business day of the following month.

By Investment Manager (top eight managers)

Fund	Strategy	Weight
ESL Investments	Long Biased Equity	21.5%
Drawbridge Special Opportunities Fund	Asset Based Lending	16.6%
TPG Axon	Multi Strategy	7.8%
Cerberus	Distressed Securities	5.9%
Eton Park	Multi Strategy	5.9%
Perry	Event Driven	5.5%
OZ Global Special Situations Fund	Multi Strategy	5.1%
Everest Absolute Return Fund	Multi Strategy	4.3%
Total		72.6%

Monthly Performance Contribution

By Strategy (excluding cash)



By Investment Manager (top six contributors, excluding cash)



Contact us

For further information please contact One Managed Investment Funds Ltd

Email: info@oneinvestment.com.au

Address: Level 13
20 Hunter Street
Sydney NSW 2000

Phone: +61 2 8277 0000

This report is provided to you for information purposes only by One Managed Investment Funds Limited (OMIFL) ACN 117 400 987, AFSL 297 042, as responsible entity of the Everest Alternative Investment Trust (ARSN 134 483 319) (EAIT). OMIFL is a subsidiary of the One Investment Group. It does not constitute an offer or invitation to purchase or subscribe for EAIT or any other securities. Any financial product advice given in this presentation is of a general nature only. The information has been provided without taking into account the investment objective, financial situation or needs of any particular investor. Therefore, before acting on the information contained in this report you should seek professional advice and consider whether the information is appropriate in light of your objectives, financial situation and needs. OMIFL does not guarantee the performance of EAIT, the repayment of any capital or any rate of return. Investing in any financial product is subject to investment risk including possible loss. Past performance is not a reliable indicator of future performance. Information in this report is based on information provided to OMIFL by third parties that may not have been verified. OMIFL believes that the information is reliable but does not guarantee its accuracy or completeness. OMIFL is not able to give tax advice and accordingly, investors should obtain independent advice from an accountant and/or lawyer before making any decision based on the tax treatment of investments in EAIT.